

August 29, 2007

The Honorable Mark C. Sanford, Jr.  
Governor, State of South Carolina  
P. O. Box 12267  
Columbia, SC 29211

Dear Governor Sanford:

Attached is our annual budget request which reflects the University's first priority, the necessity to provide South Carolinians with a comprehensive education.

Included in our submission are capital project requests for a new classroom building and for the renovation of our oldest instructional facility. These capital requests reflect our need for additional instructional space in order to provide better and more extensive educational opportunities to our students.

I want to thank you for your continued support of the University and for your dedication to the best interests of our state.

Sincerely,

Luther F. Carter  
President

## **FISCAL YEAR 2008-09 BUDGET PLAN**

### **I. EXECUTIVE SUMMARY**

A. Agency Section/Code/Name: H18 Francis Marion University

B. Statewide Mission:

The mission of Francis Marion University is to provide students with an excellent education, stimulate inquiry and research, and serve the Pee Dee region of South Carolina.

C. Summary Description of Strategic or Long-Term Goals:

- (1) Maintain and expand quality academic programs and maintain academic accreditations as indicators of program quality.
- (2) Improve student academic success rates.
- (3) Continue to build an excellent faculty.
- (4) Increase opportunities for all students and faculty to become aware of multicultural and global issues and to have international study/employment opportunities.
- (5) Develop the technology on campus to address future needs of students, faculty, staff, and administrators.
- (6) Maintain investments in information resources and educational support services.
- (7) Increase student enrollment and retention.
- (8) Increase external funding.
- (9) Increase opportunities for student involvement within the business, governmental, and public organizations within the local community.
- (10) Emphasize career planning and job placement services for all students of the University.
- (11) Raise the quality, diversity and visibility of athletic programs supported by the community.
- (12) Develop the physical facilities, natural resources and infrastructure of the campus.
- (13) Enhance the University's image through an aggressive, focused marketing campaign.

D.

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: Local Finance and Services Initiative	0	750,000	0		\$750,000	0	0		
Strategic Goal No. Referenced in <u>Item C</u> Above ( <i>if applicable</i> ): <u>3, 4, 9</u> Activity Number & Name: 411 – Public Service										
Priority No.: 2	Title: Master of Science in Nursing – Nurse Practitioner Initiative	0	750,000	0		\$750,000	0	0		
Strategic Goal No. Referenced in <u>Item C</u> Above ( <i>if applicable</i> ): <u>1, 2, 3, 7, 10</u> Activity Number & Name: 422 – Instruction - Nursing Program										
Priority No.: 3	Title: Biotechnology Initiative	0	\$650,000	0	0	\$650,000	0	0	0	0.00

Summary of Operating Budget Priorities for FY 2008-09:	FUNDING					FTEs			
	State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> <u>1, 3, 4, 5, 9</u> Activity Number & Name: 424 – Instruction-College of Liberal Arts 410 – Research									
TOTAL OF ALL PRIORITIES	\$ 0	\$2,150,000.	\$ 0		\$2,150,000	0.00	0.00	.00	0

E. Agency Recurring Base Appropriation:

State \$ 18,382,030

Federal\$ 5,078,529

Other \$ 28,176,848

F. Efficiency Measures:

In the last year, the University has instituted specific measures which have increased efficiency and reduced costs in several areas:

- Student Services has expanded the use of web resources to better communicate with constituents, increased the use of web seminars to provide high quality professional development activities at a lower cost, and realigned the University Center service desk operational hours to maximize availability during high use time periods.
- The University's technology services have negotiated new contracts to purchase office software at a reduced unit price and to standardize I.T. equipment for a significant cost savings.
- The University's Communications Services function has been combined with Community Relations into a reconfigured Office of Community and Public Affairs to reduce personnel, space, and equipment costs.

The University's most significant efficiency is that we have consistently year after year provided a high quality education at an affordable price to the citizens of our state.

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.: 1 of 2	<u>Project Name:</u> School of Education/School of Business Building Activity Number & Name: 423 – Instruction-School of Business; 424 – Instruction– School of Education	Project No*: H18 – 9538- BC	\$15,250,000	\$750,000	0	\$16,000,000
Priority No.: 2 of 2	<u>Project Name:</u> Founders Hall Renovation Activity Number & Name:	Project No*:	\$6,000,000	0	0	\$6,000,000

	423 – Instruction–School of Business; 425 – Instruction– College of Liberal Arts					
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$21,250,000	\$750,000	\$ 0	\$22,000,000

\* If applicable

H. Number of Proviso Changes: NONE

I. Signature/Agency Contacts/Telephone Numbers:

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John J. Kispert  
Vice President for Business Affairs  
Francis Marion University  
Telephone 843-661-1110

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: H-18 Francis Marion University

B. Priority No. 1 of 3

C. (1) Title: Local Finance and Services Initiative

(2) Summary Description:

Francis Marion University seeks \$750,000 recurring for a program of educational and technical assistance to municipalities, school districts, and county governments in South Carolina to provide needed expertise in public administration and public finance.

(3) Strategic Goal/Action Plan (*if applicable*): 3, 4, & 9

D. Budget Program Number and Name: I. Educational and General

E. Agency Activity Number and Name:

411 – Public Service

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

The University requests funding for the Local Finance and Services Initiative which will provide outreach to local governments (cities, counties, and school districts) with expected results the improvement of local management of public funds and budgets including capital projects and capital budgets, more productive implementation and management of programs and services that meet community needs, and more effective administration of personnel by public managers. The measurement of these results will come from the level of participation, in depth evaluations of projects, and the longitudinal impact on local government including cities, counties and school districts.

The Local Finance and Services Initiative will be housed in a Center for Local Government Finance and Services at the University and will draw on the expertise of faculty from Economics, Finance, Management, Accounting, and Public Administration who will provide assistance with a range of needs from case by case studies of capital projects and their financing to analysis of broad public policies and the dissemination of best practices. The Center would also furnish education and training for elected officials and local government personnel to develop and improve their knowledge and skills and as a result to improve the efficacy of the core functions of cities, counties and school districts.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		365,000			\$ 365,000
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		385,000			\$385,000
<b>Total</b>	\$ 0	\$750,000	\$ 0	\$ 0	\$750,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 18,382,030  
Federal\$ 5,078,529  
Other \$ 28,176,848

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_



G. Detailed Justification for FTEs  
N/A

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State \_\_\_\_\_

Federal \_\_\_\_\_

Other \_\_\_\_\_

Agency-wide Vacant FTEs as of July 31, 2007: \_\_\_\_\_

% Vacant \_\_\_\_\_%

H. Other Comments:

- A. Agency Section/Code/Name: H-18 Francis Marion University
- B. Priority No. 2 of 3
- D. (1) Title: Master of Science in Nursing-Nurse Practitioner Initiative

(2) Summary Description:

Francis Marion University seeks \$750,000 in recurring funds to establish a Master of Science in Nursing-Nurse Practitioner program within the Department of Nursing at FMU.

(3) Strategic Goal/Action Plan (*if applicable*): 1, 2, 3, 7, & 10

- D. Budget Program Number and Name: I. Educational and General

- E. Agency Activity Number and Name:

422 – Instruction – Nursing Program

- F. Detailed Justification for Funding

(1) Justification for Funding Increase:

The University requests recurring funding to establish the Master of Science in Nursing-Nurse Practitioner program to address several demonstrated needs in the region and state.

- First, the program would help meet the need for additional education and clinical training to deal with increasingly complex health issues.

- Second the program would help deal with the shortage of nursing faculty in two year and four year nursing programs by producing nurses with Master's degrees who will be qualified to teach in technical colleges and four year institutions. It is worth noting that vacant teaching positions already limit the capacity of nursing programs to produce associate degree and baccalaureate prepared RNS and it is further anticipated that many nursing faculty will retire during the next five years.

- Third the MSN-NP initiative will through graduate education prepare Nurse Practitioners to provide a range of health care services to the citizens of the state.  
The shortage of nurse practitioners in rural areas reflects the fact that SC is underserved in the area of Nurse Practitioner education. According to the American Academy of Nurse Practitioners, North Carolina has eight accredited NP programs, Georgia has ten and South Carolina has only three.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		480,000			\$ 480,000
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		270,000			\$ 270,000
<b>Total</b>	\$ 0	\$750,000	\$ 0	\$ 0	\$750,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 18,382,030  
Federal\$ 5,078,529  
Other \$ 28,176,848

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs  
N/A

(2) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State \_\_\_\_\_

Federal \_\_\_\_\_

Other \_\_\_\_\_

Agency-wide Vacant FTEs as of July 31, 2007: \_\_\_\_\_

% Vacant \_\_\_\_\_%

H. Other Comments:

A. Agency Section/Code/Name: H-18 Francis Marion University

B. Priority No. 3 of 3

E. (1) Title: Biotechnology Initiative

(2) Summary Description:

Francis Marion University seeks \$650,000 in recurring funds to enhance the University's capacity to undertake research and development projects in the area of bioscience and biotechnology. This initiative will be housed in FMU's Department of Biology and among other ventures will facilitate the study of the conversion of plant material into alternative fuels.

(3) Strategic Goal/Action Plan (*if applicable*): 1, 3, 4, 5, & 9

D. Budget Program Number and Name:

I. Educational and General

E. Agency Activity Number and Name:

410 – Research

424 - Instruction – College of Liberal Arts

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

The University requests recurring funds for a Biotechnology Initiative that will enhance the University's capacity to undertake research and development projects in the area of bioscience and biotechnology. This initiative will be housed in the Department of Biology and

among other ventures will facilitate the study of biomatter and how such plant materials can be converted into alternative fuels (e.g. ethanol, biodiesel, etc.).

Among the assets the University brings to this project is its location in one of South Carolina's principal agricultural regions, its strong Biology, Chemistry, and Physics departments and its history in small scale research projects in the area of alternative fuel production. FMU is strategically located to conduct research and development activities on alternative fuels. The University has further established the basis for collaboration with other institutions in pursuing biofuels research and related biotechnology projects. The expected result of this investment will be the production of tangible economic benefits for the Pee Dee region and the State which will be documented and the production of a better-educated workforce, graduated from the University and tracked through the CHEMIS system, that will be available to support bioscience and biotechnology companies in the state. Furthermore, the biotechnology initiative will allow FMU to move toward a baccalaureate degree program in biotechnology engineering that will be offered in concert with one of the public universities in the state that already offers engineering degrees. Such an arrangement will provide a joint engineering degree program for the northeastern section of SC, a region that is currently without a four year engineering program.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		285,000			\$ 285,000
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		365,000			\$ 365,000
<b>Total</b>	\$ 0	\$650,000	\$ 0	\$ 0	\$650,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 18,382,030

Federal\$ 5,078,529

Other \$ 28,176,848

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

N/A

(3) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State \_\_\_\_\_

Federal \_\_\_\_\_

Other \_\_\_\_\_

Agency-wide Vacant FTEs as of July 31, 2007: \_\_\_\_\_

% Vacant \_\_\_\_\_%

H. Other Comments:



### III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. Agency Section/Code/Name: H18 Francis Marion University
- B. Priority No. 1 of 2
- C. Strategic Goal/Action Plan (*if applicable*): 1, 2, 3, 7, 12
- D. Project Name and Number (*if applicable*): School of Education/School of Business Building, Project No. H18-9538-BC
- E. Agency Activity Number and Name:
  - 423 – Instruction – School of Business
  - 424 – Instruction – School of Education

F. Description of Priority:

School of Education/School of Business Building - This project is to construct an approximately 61,000 square foot building on the campus of Francis Marion University for the School of Education and the School of Business. The building will provide 13 classrooms, one distance learning classroom, 4 computer laboratories, one open computer laboratory, 4 project rooms, a teaching materials center, 50 faculty offices, 2 dean's offices and various support staff facilities. This request includes one-time funding of \$15,250,000 for construction and start-up equipment and furnishings.

G. Detailed Justification for Funding

(1) Justification for Funding Priority:

The Schools of Education and Business currently reside in adjoining buildings constructed in the 1970's. Other disciplines currently sharing these facilities are the Department of English, Modern Languages & Philosophy, the Department of History, the Department of Political Science & Geography, the Department of Sociology, and the Department of Psychology. These facilities are in desperate need of renovation in order to extend their service life. Funding for this renovation is being requested as a separate capital budget priority for the University. This new building will afford the opportunity for both the School of Education and the School of Business to reside in a building designed for and dedicated to the promotion of their respective undergraduate and graduate programs. This building can serve as a focal point for these two disciplines in similar fashion to the buildings dedicated to the Nursing Program, Fine Arts and the Sciences already on campus.

With the goal of enhancing the delivery of undergraduate and graduate instruction for the School of Education and the School of Business, the flexibility of the design will allow the latest technological developments to be included in the completed building to positively affect instructional delivery. Additionally, the School of Business offers an undergraduate Computer Science program that should also benefit from technological enhancements within the new building.

Consistent with the mission of Francis Marion University on several levels, this facility will enhance the core mission of providing excellent undergraduate and graduate education. The FMU School of Business has the distinction of American Assembly of Collegiate Schools of Business (AACSB) accreditation.

- Since 1970, the School of Business has conferred over 3,866 bachelor's degrees and, since 1988, it has conferred more than 233 master's degrees.

The Master of Business Administration program has experienced growth in recent years and provides the citizenry of the Pee Dee area an opportunity to continue their education to a graduate level while still remaining active in the local workforce. This underscores the University's desire to serve as a catalyst for regional development in the Pee Dee region. Now, more than ever, there is a regional need for the opportunities afforded by higher education.

The School of Education has received National Council for Accreditation of Teacher Education (NCATE) accreditation.

- Since 1970, the School of Education has conferred more than 2,330 baccalaureate degrees and 2,379 master's degrees.

As statewide statistics suggest, there is a great need to strengthen our education system. Teacher education and training is the most important tool to be used in this ongoing effort.

Though the impact of future lottery scholarships remains unknown, the expansion of technical education opportunities may coincidentally provide additional students seeking to advance their associate degrees to baccalaureate or master's degrees. Furthermore, the School of Business is comprised of undergraduate majors in Accounting, Business Economics, Economics, Finance, General Business Administration, Management, Management Information Systems, Marketing, and Computer Science. These fields would be conducive to students seeking to advance their educational level in a University setting. If additional business education is desired beyond this point, students can seek an MBA or an MBA with a concentration in Health Management.

During FY99-00, the University was appropriated \$750,000 to undertake architectural and engineering design work for the School of Business and School of Education Building. Since that time, a Building Program Committee, made up of faculty of both Schools, has

worked with architects, Key Collins Architecture of Florence, SC, to develop the design documents. We have completed the design phase and are ready to begin the construction bidding process.

This project was included in the University's 2006 Comprehensive Permanent Improvement Plan, in plan year two as priority one.

(2)

<b>Total Project Cost Estimates:</b>	<b>Additional State Funds</b>	<b>Previously Authorized State Funds</b>	<b>Total Other Fund Sources</b>	<b>Project Total</b>
Total Project Cost*	\$15,250,000	\$750,000		\$16,000,000

*\* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? No

If not, will additional state funds be needed in the future? Yes

If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: FY09 Will this fiscal year require a partial or full year's operating funds? Full If a partial year's funds are required, what portion of the year does it cover? \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs		0			0.00
(b) Total Personnel Costs		0			\$ 0
(c) Furniture/Equipment		0			\$ 0
(d) Other Operating Costs		\$115,500			\$115,500
<b>Total</b>	\$ 0	\$115,500	\$ 0	\$ 0	\$115,500

I. Justification for First Full Year Additional Future Annual Operating Costs *(If Section H above represents a full year's operating funds, do not complete this section.)*

(1) Will additional annual operating costs be absorbed into your existing budget? \_\_\_\_\_

If not, will additional state funds be needed in the future? \_\_\_\_\_

If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: FY09

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments:

- A. Agency Section/Code/Name: H18 Francis Marion University
- B. Priority No. 2 of 2
- C. Strategic Goal/Action Plan (*if applicable*): 1, 2, 3, 7, 12
- D. Project Name and Number (*if applicable*): Founders Hall Renovation
- E. Agency Activity Number and Name:
  - 423 - Instruction – School of Business
  - 425 – Instruction - College of Liberal Arts
- F. Description of Priority:

This project is to renovate the 76,366 square foot Founders Hall, the University's oldest classroom building, which covers two floors and houses 26 classrooms and labs and 99 offices. Renovation will address items of facility renewal such as replacement of the HVAC and lighting systems for improved energy efficiency, replacement of carpeting, ceilings, interior finishes, obsolete door locks and cores, and replacement of classroom seating. This request includes one-time funding of \$6,000,000 for renovation of the facility.

- G. Detailed Justification for Funding

(1) Justification for Funding Priority:

Founders Hall was constructed in 1974 and, as the first of the University's classroom and faculty office buildings, has been extensively used. As other buildings were added and the sciences, Math, and Fine Arts departments were moved out of Founders Hall, the University's enrollment growth continued the high usage of this facility. Currently, this building serves the School of Business, the Department of English, Modern Languages, and Philosophy, the Department of History, the Department of Political Science and Geography, the Honors Program, and the Writing Center.

This renovation seeks to update and replace interiors throughout Founders Hall that are both worn and dated. These interiors show the cumulative effects of age and heavy use and are in critical need of renovation. Ceiling tiles will be cleaned or replaced. Doors, interior walls and trim will be repainted. Carpeting will be replaced as will folding walls between classrooms. Obsolete door locks

and cores will be addressed. Improved student seating will be furnished. The exterior be repainted. In addition, the HVAC and lighting systems will be replaced.

Upon completion, this renovation will result in recurring cost savings to the University due to replacement of energy-inefficient HVAC and lighting systems and subsequent decreases in preventative maintenance and deferred maintenance costs.

- The HVAC system will be replaced with a modern energy-efficient system estimated to save \$15,000 annually in energy consumption.
- The new lighting system is projected to save \$13,825 annually due to improved efficiency.
- These projected savings combine to over \$28,825 annually.

As this building has provided and will continue to provide instructional classrooms and faculty offices, its appearance and functionality are of great importance to the mission of the University to provide an excellent educational environment.

Structurally, the moveable walls along with the use of pre-cast concrete for construction have not been conducive to the addition of instructional technology media to the classrooms. As a result, the most fundamental use of information technology to enhance educational media has been delayed or in some cases has been completely lacking from these classrooms. This has had a negative impact on the sophistication of instruction for our students and on their need for exposure through their classrooms and labs to the modern technology found in the average workplace today.

The center of the University's mission is the instruction of our students and fundamental to the success of our mission are attractive and functional classroom facilities that provide an environment where our students can learn and can achieve the education they and our state require. The renovation of Founders Hall will assist the University enormously in achieving that goal.

This project was included in the University's 2006 Comprehensive Permanent Improvement Plan, in plan year two as priority two.

(2)

<b>Total Project Cost Estimates:</b>	<b>Additional State Funds</b>	<b>Previously Authorized State Funds</b>	<b>Total Other Fund Sources</b>	<b>Project Total</b>
Total Project Cost*	\$6,000,000			\$6,000,000

*\* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. Justification for First Year Additional Future Annual Operating Costs:

- (1) Will additional annual operating costs be absorbed into your existing budget? YES  
 If not, will additional state funds be needed in the future? \_\_\_\_\_  
 If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_
- (2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_\_ Will this fiscal year require a partial or full year's operating funds? \_\_\_\_\_ If a partial year's funds are required, what portion of the year does it cover? \_\_\_\_\_  
 \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs (*If Section H above represents a full year's operating funds, do not complete this section.*)

- (1) Will additional annual operating costs be absorbed into your existing budget? \_\_\_\_\_  
 If not, will additional state funds be needed in the future? \_\_\_\_\_  
 If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_
- (2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					

(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments:

As noted, recurring cost savings due to improvements in HVAC and lighting are estimated at approximately \$28,825 annually. Reductions in maintenance and deferred maintenance are also of consequence. Additional recurring funding for operating costs is not requested. Nor is there a request for additional FTE's or personal services funding.



## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: H18 - Francis Marion University

B.

<b>Priority Assessment of Activities – Highest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 423 - Instruction – School of Business	2,206,372	0	0	0	651,356	\$2,857,728	0
Activity Number & Name: 424 - Instruction – School of Education	1,421,691	0	0	0	420,622	\$1,842,313	0
Activity Number & Name: 425 - Instruction – College of Liberal Arts	10,849,445	0	0	0	2,329,148	\$13,178,593	0
Activity Number & Name: 422 - Instruction – Nursing Program	1,238,031	0	0	0	0	\$1,238,031	0
Activity Number & Name: 412 - Academic Support	0	0	0	0	4,135,628	\$4,135,628	0
<b>TOTAL OF HIGHEST PRIORITIES</b>	<b>\$15,715,539</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$7,536,754</b>	<b>\$23,252,293</b>	<b>0.00</b>

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

A. **Agency Section/Code/Name: H18 – Francis Marion University**

B. Agency Activity Number and Name: 421 – Omega Project

C. Explanation of Lowest Priority Status:

Francis Marion University acts as a fiscal agent for the Omega Project, handling their state appropriation as flow through funds. In assigning Francis Marion University's priorities, there is no question the activities of the Omega Project benefit the citizens of the state; however, the lower priority status is offered because the project does not fall directly within the University's primary mission, which is to make available to the citizens of the Pee Dee area and the state an excellent education in the liberal arts and selected professional programs.

D. Estimate of Savings:

<b>Estimate of Savings:</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	75,000	0	0	0	0	\$75,000
Other Operating Expenses	0	0	0	0	0	\$ 0
<b>Total</b>	<b>\$75,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$75,000</b>

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

Were this activity to be eliminated, the impact would be directly in relation to the Omega Project and could not be projected by the University. Otherwise, it would have no negative impact on Francis Marion University.

A. Agency Section/Code/Name: H18 – Francis Marion University

B. Agency Activity Number and Name: New – I-95 Corridor Study

C. Explanation of Lowest Priority Status:

The I-95 Corridor Study was authorized for S. C. State and Francis Marion Universities to conduct a study to assess human development needs in the I-95 corridor. This project was initially funded as of July, 2007 to be implemented during 2007-08. Any lesser priority ranking is assigned by Francis Marion University simply because the project will not be fully implemented until we are several months into the fiscal year. As soon as implemented, we expect this project to quickly establish its value.

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	\$250,000	0	0	\$250,000
<b>Total</b>	\$ 0	\$ 0	\$250,000	\$ 0	\$ 0	\$250,000

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

This study as funded should yield valuable information for decision-making to the leadership of state government and should have a significant impact on the future of the I-95 Corridor in South Carolina.

F.

<b>Summary of Priority Assessment of Activities – Lowest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 421 – Omega Project	75,000	0	0	0	0	\$75,000	0
Activity Number & Name: New - I-95 Corridor Study	0	0	250,000	0	0	\$250,000	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
<b>TOTAL OF LOWEST PRIORITIES</b>	<b>\$75,000</b>	<b>\$ 0</b>	<b>\$250,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$325,000</b>	<b>0.00</b>